

STATE OF WASHINGTON



**OFFICE OF
INSURANCE COMMISSIONER**

**BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF WASHINGTON**

☐ The orders posted here are unverified electronic duplicates of the official orders actually entered. To be certain you have the official version of the order as entered, you should request a hard copy of the official version from the Commissioner's Public Disclosure Officer, Steve Carlsberg, 360-586-0691, or by e-mail: stevec@oic.wa.gov.

In the Matter of)	
)	CONSENT AND ORDER
NORTHERN INSURANCE)	TO PAY FINE
COMPANY OF NEW YORK,)	
)	NO. D 99 - 41
An Authorized Insurer.)	
)	

CONSENT TO ORDER

Northern Insurance Company of New York hereby consents to the payment of a fine in the sum of \$2,500 for its conduct of charging an unfiled late fee for untimely installment payments by commercial insureds in violation of RCW 48.19.040.

RCW 48.18.180 provides:

(1) The premium stated in the policy shall be inclusive of all fees, charges, premiums, or other consideration charged for the insurance or for the procurement thereof.

(2) No insurer or its officer, employee, agent, solicitor, or other representative shall charge or receive any fee, compensation, or consideration for insurance which is not included in the premium specified in the policy.

.....
....

RCW 48.19.040 requires:

(1) Every insurer or rating organization shall, before using, file with the commissioner every classifications manual, manual of rules and rates, rating plan, rating schedule, minimum rate, class rate, and rating rule, and every modification of any of the foregoing which it proposes.

.....
.....

In 1995, Northern Insurance Company of New York began charging a late fee on commercial installment payments in the amount of \$15.00. It collected a total of \$12,336.84 since that time. Upon having the requirement to file this fee brought to its attention, the company did file with the Office of Insurance Commissioner its Commercial Direct Bill Installment Payment Plan Rules, received July 17, 1998. This fling was subsequently approved.

Based on the foregoing, Northern Insurance Company of New York does voluntarily consent to the following order with the understanding that such fine is in lieu of any suspension or revocation of its certificate of authority for such conduct pursuant to RCW 48.05.185.

Northern Insurance Company of New York further agrees to return to its policyholders the late installment fee charges collected in violation of the insurance code. These reimbursements will be made within 60 days of the entry of this order.

SIGNED this 15th day of April, 1999.

NORTHERN INSURANCE COMPANY
OF NEW YORK

By

An Authorized Representative

Title

ORDER

Pursuant to RCW 48.05.185 and the foregoing Consent to Order, the Insurance Commissioner hereby imposes a fine in the amount of \$2,500 upon Northern Insurance Company of New York. Such fine shall be paid in full within 30 days from the date of this Order. Upon failure to pay such fine, the Commissioner will suspend or revoke the certificate of authority of the insurer, and the fine will be recoverable in a civil action brought on behalf of the Commissioner by the Attorney General.

Northern Insurance Company of New York will return to the policyholders the late installment fee charges collected contrary to the insurance code. Said reimbursements to be made within 60 days of the entry of this Order; at which time an accounting and verification of reimbursement will be made to this office.

ISSUED AT OLYMPIA, WASHINGTON, this 19th day of April, 1999.

DEBORAH SENN
Insurance Commissioner

By

MARY M. COTTER
Enforcement Attorney